VZCZCXRO9210 OO RUEHFL RUEHKW RUEHLA RUEHROV RUEHSR DE RUEHPS #0497/01 2670933 ZNY CCCCC ZZH O 230933Z SEP 08 FM AMEMBASSY PRISTINA TO RUEHC/SECSTATE WASHDC IMMEDIATE 8502 INFO RUEHZL/EUROPEAN POLITICAL COLLECTIVE PRIORITY RUEHNO/USMISSION USNATO PRIORITY 1068 RUFOADA/JAC MOLESWORTH RAF MOLESWORTH UK PRIORITY RUCNDT/USMISSION USUN NEW YORK PRIORITY 1536 RHFMISS/AFSOUTH NAPLES IT PRIORITY RHMFISS/CDR TF FALCON PRIORITY RHEFDIA/DIA WASHDC PRIORITY RUEKJCS/SECDEF WASHINGTON DC PRIORITY RUEPGEA/CDR650THMIGP SHAPE BE PRIORITY RHEHNSC/NSC WASHDC PRIORITY RUEAWJA/DEPT OF JUSTICE WASHDC PRIORITY RUZEJAA/USNIC PRISTINA SR PRIORITY

C O N F I D E N T I A L SECTION 01 OF 04 PRISTINA 000497

SIPDIS

DEPT FOR EUR/SCE, EUR/ACE, NSC FOR HELGERSON USUN FOR GEE

E.O. 12958: DECL: 09/15/2018

TAGS: PREL KV

SUBJECT: KOSOVO: EUR DAS JONES ATTENDS ISG, DELIVERS

MESSAGE ON TRANSITION, ICJ, MINORITIES

Classified By: Ambassador Tina Kaidanow for reasons 1.4 (b) and (d)

- 11. (C) Summary. In a two-day visit to Kosovo September 10-12, EUR DAS Stuart Jones made the rounds of Government and key international organizations and represented the U.S. at the International Steering Group (ISG) meeting of the International Civilian Office (ICO). In general, the meetings were positive and focused on moving ahead on transition issues and improving Kosovo's position in the international community. In separate meetings with the President, Prime Minister, Foreign Minister, and opposition political leader Ramush Haradinaj, DAS Jones reconfirmed that Kosovo's independence was irreversible, and he urged the government and other leaders to reinforce this fact by pursing economic and commercial policies, particularly the mammoth Kosovo C energy project, which would put Kosovo on a sound economic footing. In addition, he emphasized that how Kosovo demonstrates its commitment to integrating its Serb and other minorities would be watched with a very critical The need for more active Kosovo pursuit of recognitions and the prospect that Serbia's referral to the International Court of Justice (ICJ) of the question on the legality of Kosovo's independence might pass in the UNGA were also discussed.
- 12. (C) In meetings with international community leaders, including UNMIK SRSG Lamberto Zannier, International Civilian Representative (ICR) Pieter Feith, COMKFOR General Giuseppe Gay, and head of the EU rule of law mission (EULEX) Yves de Kermabon, conversation focused on transition from UNMIK to EULEX, which seems to be progressing, with a tentative transition date of early December. Discussion also focused on how to extract the maximum cooperation on EULEX from Serbia by using the EU's considerable leverage on the Stabilization and Association Agreement, visa regime liberalization and an EU-consensus abstention on the ICJ referral, if that develops. These themes were reinforced with European Council Balkans Director Stefan Lehne in a last-minute meeting the night before the ISG. DAS Jones met with the leadership of Decani Monastery, Bishop Teodosije and Father Sava, and discussed ways of moving ahead to resolve a number of problems faced by the Serbian Orthodox Church (SOC) in Kosovo. He urged them to seek more flexibility from their leadership to deal directly with local government institutions and international organizations other than

Recognition

- 13. (C) In his separate meetings with President Fatmir Sejdiu, Prime Minister Hashim Thaci and Foreign Minister Skender Hyseni, EUR DAS Stuart Jones emphasized that given the number of recognitions of Kosovo, there was no going back, Serbia's request for a referral of the question of Kosovo's independence to the International Court of Justice (ICJ) notwithstanding. All three expressed some frustration on stymied attempts to gain recognition, particularly from Islamic countries. Foreign Minister Hyseni said he planned to try once more during his upcoming visit to Jeddah to meet with the Organization of the Islamic Conference (OIC) Secretary General Ekmeleddin Ihsanoglu to secure a meeting in Riyadh. (Note: We have since learned from Consulate Jeddah colleagues that despite their best efforts, this did not happen. End Note.)
- 14. (C) Closer to home, all agreed that securing recognition from Macedonia and Montenegro prior to the UN General Assembly (UNGA) was critical. Having all of Kosovo's neighbors in the "recognized" column would be a strong statement of support which would benefit Kosovo's case in front of the ICJ. On Macedonia, PM Thaci said that Kosovo had done everything Macedonia had asked, and particularly on the border demarcation issue, with practically no resistance and negligible violence. He did not think it was in Macedonia's interest to "hold Kosovo hostage" on recognition any longer and hoped for positive news soon. Once Macedonia

PRISTINA 00000497 002 OF 004

recognizes, all believed that it would be easier for Montenegro to follow suit. Referring to recent public statements by Macedonian President Crkvenovski demanding that Kosovo use the "constitutional" name of Macedonia, Thaci said he and the government would not respond publicly to this demand since they have already signed a bilateral agreement on border demarcation between the Republic of Kosovo and the Republic of Macedonia.

Economy

 $\P5$. (C) In his meeting with all three government leaders as well as opposition leader Ramush Haradinaj (AAK), DAS Jones urged that more attention be given to developing a strong economic framework for Kosovo that would ensure prosperity and growth. Now that Kosovo's independence is a fact, it had to start confirming the wisdom of the support it receives from the world's most influential nations by demonstrating a capacity to govern transparently and by developing a viable economy. Critical to this endeavor, among other key efforts, is the launch of the Kosovo C power project. PM Thaci assured us that the government, with the assistance of the World Bank, was ready to move ahead on this in the very near future, and that once the project was under way, the people of Kosovo would have "an address for hope" since all of Kosovo's economic future hinged on the reliable supply of energy that Kosovo C would bring. PM Thaci also acknowledged the importance of listening closely to the advice of the IMF and maintaining appropriate fiscal restraint, and reiterated his government's commitment to close cooperation on financial and budget issues.

Minorities

16. (C) On the topic of support and integration of the Serb minority, in particular, DAS Jones emphasized that Kosovo's success would be determined both by the reality of Serb rights being respected and the perception within the international community that Kosovo was living up to its Ahtisaari commitments. He commended the Prime Minister on maintaining stability and security in the months since independence and urged him to keep a steady hand going ahead, as there would be new challenges to face in this arena. The

PM said that it was his government's policy to support the reintegration of Serbs into Kosovo, and to that end he had opened an office dedicated to minorities within the Prime Minister's office. He had also recently broken ground on an apartment block not far outside of Pristina which would house up to 60 Serb returnee families. (Note: President Sejdiu also has a role to play and chairs the Government's Council on Minority Rights, which recently had its inaugural meeting.)

Serbian Orthodox Church

- 17. (C) Bishop Teodosije and Father Sava of Decani Monastery traveled to Pristina to meet with DAS Jones and offered their views on Belgrade's tactics in Kosovo. Both expressed hope that Serbian President Tadic represented a stronger commitment to the welfare of Kosovo Serbs, especially those in enclaves south of the river Ibar. They were also feeling more confident about their support from the Synod after the ruckus earlier this month at the Monastery when hardline Bishop Artemije attempted to remove Bishop Teodosije from his position in Decani. Bishop Teodosije expressed the hope that they would get some positive guidance from Belgrade allowing them to deal openly and directly with local Kosovo authorities in solving their problems.
- 18. (C) On issues involving property around the Monastery and Church property in Gjakove/Djakovica, Bishop Teodosije acknowledged the difficulty of the constraints placed on him by the Synod not to deal with local authorities or even internationals, apart from UNMIK. He admitted that they ignore this instruction by working closely with the Embassy and even, in a limited way, with the ICO. Otherwise, any favorable resolution to these problems would be impossible.

PRISTINA 00000497 003 OF 004

DAS Jones and the Ambassador urged Bishop Teodosije to work with his leadership to relent on their restrictive engagement policy so that the Monastery, and the Church in general, would be able to benefit fully from the work and good offices of the ICO and EULEX in the future.

Haradinaj

19. (C) In a meeting with opposition political party leader (AAK), former Prime Minister and acquitted ICTY indictee Ramush Haradinaj, DAS Jones and the Ambassador took him to task on the lack of cooperation shown by AAK mayors all Serb-related problems in the AAK's western strongholds of Decani and Djakova/Djakovica. In particular, the Ambassador raised the problems that a group of potential Serb returnees had encountered during a visit to Decani a week earlier, when the Mayor had abruptly ended the meeting and the group was verbally harassed on its way out of the building. Ramush promised to talk again with the mayor and ensure a better reception the next time a group returned. He also committed to ensuring that the Decani mayor and the mayor of Gjakova/Djakovica fully cooperated with us and the ICO as we try to resolve the two property cases involving the Church.

EULEX Transition

- 110. (C) The topic of EULEX transition dominated the meetings with international community leaders. New COMKFOR General Gay and ICR Pieter Feith, though not directly involved in the process, both expressed concerns about the lack of clarity in this transition and how their operations might be affected. Feith was particularly nonplussed by the EU's attempt to create a facade of neutrality for EULEX and the recent trend of pulling back on cooperation with the ICO. General Gay remarked that while there was as yet no formal arrangement between KFOR and EULEX, since KFOR was usually the first on the scene of most disturbances, it would engage early if necessary and attempt to find practical modalities for cooperation with EULEX.
- 111. (C) SRSG Lamberto Zannier told DAS Jones and the

Ambassador that UNMIK downsizing was on track and he expected to hand over the keys to several UNMIK buildings and about 180 vehicles to EULEX in the next few days. Zannier agreed with DAS Jones that Serbian President Tadic would do only what was demanded of him on EULEX deployment, no more and no less, and therefore the EU needed to drive a hard bargain and extract commitments using its significant leverage. Elaborating on the downsizing of UNMIK, Zannier said that he did not want UNMIK's mission to be redefined too narrowly, and asserted that there would be a place for UNMIK in the protection of religious and cultural heritage. He added that he hoped the OSCE field presence would strengthen and take up some of the slack left by UNMIK's closing of its department of community affairs, though he did not address how and whether this might overlap or interfere with ICO's mandate.

- 112. (C) In a dinner with EULEX head de Kermabon, EC Mission head Renzo Daviddi and British Ambassador Andrew Sparkes, the group agreed that for a successful EULEX deployment, the EU would have to use all available tools to secure Belgrade's acceptance. De Kermabon reported that EULEX would begin deploying at the rate of 80-100 people per week for four weeks, to start. He said he was committed to deploying in the north, agreeing that non-deployment would convince the Kosovars that partition was imminent, but he acknowledged that the likelihood of EULEX deployment in the north under adverse or conflictual circumstances was almost nil.
- 113. (C) European Council Balkans Director Stefan Lehne in a separate meeting said he would take a firm approach with Serbian FM Jeremic when he saw him the following week. He planned to tell him that the EU had made its decision on EULEX and it was not negotiable. Lehne said he would explain that this deployment is about rule of law and that all 27 states of the EU support its mission. He would also question

PRISTINA 00000497 004 OF 004

how Belgrade could pursue closer relations with the EU while rejecting EULEX. ICR Feith, who was also present, pressed Lehne to get a public confirmation of Belgrade's support for EULEX deployment, as he remained skeptical that verbal agreement would be enough if trouble developed around deployment. The Ambassador stressed the need to tell Belgrade what the EU wants rather than allow Belgrade to dictate the terms of deployment, and DAS Jones also encouraged Lehne to ensure his message to Belgrade was coordinated with the ICO and EULEX to ensure a consistent approach.

Internationals on Economy

- 114. (C) Also at the dinner with internationals, the issue of Kosovo's cooperation with the IMF and the critical need for it to maintain fiscal discipline were raised. Participants agreed that new demands for increased salaries and pensions could potentially become a serious problem. EC rep Daviddi concurred that everyone was looking for the IMF seal of approval on Kosovo's economic policy and said that he thought it would be possible to design a budget with flexibility in public sector salaries. Increases could be very modest and spread out over three years, he went on, but it might be enough to give PM Thaci the necessary political cover he needed, while still maintaining IMF approval of the budget. In addition to fiscal pressures, discussion also touched on concerns about the supply of energy and water throughout Kosovo.
- 115. (U) DAS Jones has cleared this cable.

KAIDANOW